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ABSTRACT

Marketing is an essential part of conducting a continuing education program, but marketing consists of more than just promotion. According to Kotler, exchange is the central concept underlying marketing. Marketing involves understanding, planning, implementing, and controlling this exchange. The exchange situation contains all the elements of the "marketing mix": program design, pricing, promotion, position with regard to competitors, and program distribution. All of these potentially can be varied to improve the performance of a continuing education agency in its market. Effective marketing requires information, which can be acquired through internal sources (program faculty or employees, students) or externally through such techniques as mail surveys, personal interviews, telephone interviews, sampling, and focus groups. Such research can lead continuing education programs to determine market populations and their needs, to create programs to meet these needs, and to promote programs to the target population. Several figures are included. (KC)

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MARKETING AND MARKET RESEARCH FOR ADULT AND CONTINUING EDUCATION

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TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

I want to welcome you all here this morning to what I hope will be a really helpful look at how market research can assist you in developing strategies for marketing continuing education---particularly in efforts to target new markets, design programs to meet the needs of these markets and promote them effectively.

Drawing on: my experience with helping organizations use market research, my knowledge of continuing education settings and their marketing implications, and my research into the problem solving processes. I'm going to present an overall perspective continuing education marketing and the role of market research in it. Next, I'll give you some practical suggestions about matching market research techniques to your information needs. At the end you will have an opportunity to discuss your own marketing problems and perhaps together we'll find some answers to them.

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I'd like to start by doing a little research on you.

1. How many of you are currently making decisions about marketing for your agencies or institutions?

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2. How many of you concentrate the majority of your marketing efforts on promotion issues?

3. How many of you have ever been to a talk about marketing at AAACE before?

That's about what I expected. Marketing is a hot topic among adult educators today as never before. AAACE has never had as many sessions on marketing and/or needs assessment as it does this year. This reflects an increased degree of competition as more and more different types of organizations offer adult and continuing education programs, and economic conditions put pressure on continuing education agencies to pay their own way or even make a profit for their parent institutions.

Before you and I can communicate about marketing and market research, we need a common definition of marketing. If you concentrate your marketing efforts on promotion issues, you may think of marketing primarily in terms of promotion. But when I talk about marketing, I mean much more than promotion.

Kotler[1], the great guru of marketing for nonprofit organizations, says exchange is the central concept underlying marketing. Here is simple diagram of the exchange relationship for continuing ecucation. (Figure 1) Marketing involves understanding, planning, implementing and controlling this exchange.

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The exchange situation contains all the elements of the what is technically called the marketing mix: the program design, pricing, promotion, positioning of your programs with regard to competitors, and the way you distribute your programs. All of these can potentially be varied to improve the performance of a continuing education agency vis-a-vis its potential market.

Traditionally, providers of continuing education have used one of two marketing styles. One style called minimal marketing relies on the excellence of the educational product to sell itself. Ie., the providers of continuing education concentrate on offering high quality courses with the expectation that people will somehow hear about them. When this doesn't work well enough, they turn to an aggressive marketing style which relies heavily on promotion. The idea is that all they really need to do is find effective ways to tell people about what is being offered.

As it becomes more and more evident that this isn't enough to ensure marketing success, some continuing educators are turning to Kotler's third marketing style: balanced marketing which seeks ways to vary and blend all the elements of the marketing mix to achieve high use of continuing education and high participant satisfaction.

Successful marketing efforts require information about the

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ways elements of the marketing mix can be varied to achieve an effective blend. [Display Figure 2] Market research involves obtaining and analyzing data which provide a basis for better understanding and control of the marketing mix. It assists the administrator in performing the basic marketing tasks. [Display Figure 3]

The first of these tasks, is the one most continuing educators have traditionally thought of as marketing--that is pursuasive communication with the market, ie. promotion.

The second task is assessing the capacity and potential of the agency with the aim of finding a market for it.

The third task requires learning about the needs, interests and problems of the potential market to discover which ones are most relevant to the agency's programming potential.

The second and third tasks, though presented separately, are logically interrelated. The nature of the agency's capacity will focus its search for market information on particular aspects of market needs. And knowledge of these needs will lead to efforts to enhance and develop certain parts of the agency's capacity.

I want to emphasize that this ordering of the marketing tasks is not based on their relative importance. Rather, it is

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based on my understanding of the history of marketing in continuing education agencies. Most agencies have always done the first of these tasks and referred to it as marketing. They also do the second task, but usually implicitly. In other words, without a consistent, stated direction to their efforts. They don't always recognize this is as a part of marketing. The third task is one many agencies slight. It is often performed on an informal and/or intuitive level. All three tasks are essential to modern, effective marketing.

Data for these marketing tasks may come from a number of sources. Each of these sources is potentially a focus of market research. [Display Matrix of Information Source Versus Marketing Mix Elements, Figure 4] They include: the parent institution, employees of the continuing education agency itself, similar agencies elsewhere, competing continuing education providers, potential resource persons, past participants, potential participants, the general public and government agencies.

Lets do a little more market research on you.

I'd like to ask some questions of those of you who make marketing decisions for your agencies. In the past two years, which of these sources have you used for information about: promotion, program design, pricing, positioning of your agency, distribution? (Place responses on Matrix)

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Studies[5] of actual continuing education programs tend to confirm the results of the informal poll we've just taken. Most continuing education marketing decisions tend to be made using information from: the parent institution (in the form of mission statements), employees of the continuing education agency, resource persons, similar agencies elsewhere and past participants. And, as I noted earlier, most marketing decisions concern the promotion element of the marketing mix.

Partly this is the result of the structure of the situation. Many agencies use faculty from a parent institution, others draw faculty from a very limited pool of their own employees. This affects both the nature of the agencies' access to information and its relevance. Having a fixed faculty makes it is easy to obtain information for program design and other features of the marketing mix from that source. Often informal ways of gathering market research data are built into the situation. For instance, in the university or community college setting, faculty members or groups may regularly visit CE administrators and provide programming ideas.

Convenience also plays a role in determining the other sources of marketing information which are commonly used. Administrators obtain information when they see their counterparts from similar agencies at meetings. Persons participating in the agency's continuing programs offer spontaneous sugges-

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tions, or can be asked to give information during the programs.

The structure of the situation and lack of convenience are reasons why potential participants and members of the general public rarely have any information input in CE programs. Another reason is that many administrators lack the knowledge of how to collect this information in efficient, effective and relatively inexpensive ways.

The sources of information can be separated into two groups. Internal sources are those located inside the continuing educator's immediate environment, sources he or she is likely to come into contact with frequently and therefore likely to use most often such as resource persons or continuing education employees. The other group, the external sources, are those located outside the immediate environment and therefore are less likely to be used. It is important to remember that market research can focus on both the internal and external sources. (Figure 5) Ideally, market research should collect data in both directions. The Farmer and Knox study of institutional change[3] showed changes which incorporate information and active participation from both directions are the most successful. And marketing experts believe user-oriented marketing is best for the long range health of any organization. User-oriented marketing results in creation of programs relevant to needs and interests participants can recognize as their own. It requires detailed

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information about potential users.

Now that I've talked about information sources, I'm going to focus on your information needs particularly with regard to targeting new markets, developing programs for them and promoting these programs. (Figure 6)

Some important issues about which you will need information include: 1) the agency's current position with regard to its market and competitors (ie how the market is currently segmented), 2) the agency's image with various market segments, 3) the agency's resources and 4) the capacity to change the nature of these resources to attract new market segments.

Popular ways of segmenting continuing education markets include: geographical segmentation (ie you serve all the population in one city), demographic segmentation (you serve all the women over the age of 21), product segmentation (you serve all the persons interested in learning about gardening) or a combination of these. Markets are also segmented along the lines of image of the provider--so a university and a public school system may both offer art appreciation courses, but appeal to vastly different population groups because of their images and type of promotion. Cost is also a possible segmentation factor.

When you consider how your market is currently segmented,

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you should also consider what other types of segmentation might be possible. Out of those which best match your agency's areas of strength vis-a-vis competitors, chose the ones that match your parent institution's mission and goals so that you can be assured of parent institution support. Make the viability and practicality of these types of segmentation the subject of your market research efforts.

A popular recent book about the business community, called In Search of Excellence, points out that the country's most successful business enterprises have tended to expand their markets by expanding on their special areas of strength and not moving into radically new areas, i.e. by "sticking to their knitting". You might seek your new market among segments of the population who could be interested in your programs, if only they knew about them. In that case your research would focus on finding ways to promote your programs to these population groups. Or you might seek new markets among segments of the population who would be interested in a somewhat modified version of your current types of programming, and then you would need to investigate both how to make the modification and how to promote it.

If you are interested in segmenting along new product lines, you might consider the sorts of sources Ralph Tyler[4] recommends, such as the advice of experts on the needs of particular types of

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people, and publications about social, political and economic trends which effect them.

Once you have selected some potential new target markets, you will need to get information about them. Demographics and geographics can assist you in deciding which markets offer the most promise. For example, if you were involved in continuing medical education, you might discover whether there are enough doctors over 45 making midlife medical specialization changes to warrent professional continuing education programming addressed to the problems inherent in such change. Psychographics, which include information about lifestyles and personalities of potential markets, is frequently quite helpful in developing both programs and promotions. For example, after discovering that many of its patients had long-term back and leg problems, one local health care clinic started a series of educational programs aimed at teaching people how to exercise without hurting themselves. These programs were promoted not only in the local papers, but also in the waiting rooms of orthopedic specialists and in stores where athletic equipment and shoes were sold. The advertising copy emphasized a health and fitness theme.

Now that we've discussed the sorts of information you are likely to need, lets turn to identifying the best techniques for collecting that information.

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For reasons of efficiency, effectiveness and to keep costs down, your research efforts should begin with the sources of information that are least expensive and most accessible and those which will reveal the agency's constraints and capabilities. Tap the information sources closest to you, for example, colleagues in your CE agency, friends in other similar agencies, persons with immediate authority over your agency's programs, and those persons, if any, who you must use as teaching resources.

As noted earlier, most CE agencies do use these sources of information in plotting their marketing strategies. The problem is that they stop there and these sources by themselves are not likely to be able to provide enough comprehensive information about new markets, their needs and the best ways to promote to them.

Therefore, I strongly recommend that your strategy for targeting new markets include some direct examination of their members. Start to learn about the potential market with library research. This is where sophisticated data bases and the census become important. These sources can provide demographic data together with information about lifestyles and psychographics.

When you've exhausted written sources, you will need to collect information directly from the potential participants, probably through the use of a questionnaire. Because of time

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constraints, I will give you just a few basic guidelines for questionnaire design. One, you should collect as much information from written sources as you can prior to designing the questionnaire, so that you will be asking as few questions as possible. This will enhance the likelihood of respondent cooperation. Two, know how you plan to use any data you will collect; this will give focus to the questions and help avoid unnecessary ones. Three, make sure the questionnaire is written in language the respondents understand and will elicit responses you understand. To do this, it is very helpful to have members of the target market involved in a pilot test of the questionnaire. You might also consider using the services of experts on questionnaire design. Frequently the cost of these services can be offset by the improved performance of the questionnaire in obtaining the data you really need.

There are a number of possible market research techniques you can use to collect information from potential participants. And by the way, some of these techniques can also be used whenever there are groups of people who could affect your programming, so, for example, they could also be used with groups of potential resource persons.

The best techiques to chose depend on matching the nature of the information sought with the degree to which your potential target market is organized. By organized, I mean the degree to

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which its members belong to relatively small groups with high interaction among members. Generally, the more highly organized the group, the easier it is to get information from them. For example, if your target market is composed of nurses who work in three local hospitals and regularly attend professional meetings together, you could seek information from their supervisors, and their informal and formal leaders about their needs and concerns. A few nurses without leadership positions could be randomly selected and interviewed to discover whether the results obtained from the leadership reflect the views of the majority of the members.

The general principle is that the more organized the population group, the more likely its individual members will be to know about and understand the needs and interests of the group as a whole. The sample of persons to obtain information from can be smaller than in the case of a less well organized group.

When a group is not organized, for example, if you wanted to target the middle class women in your town over 40, you could begin by seeking information from its more organized segments: church groups, the League of Women Voters, etc. Or you could seek information from artifically formed groups of women who represent fairly typical members (in terms of demographics, psychographics, and lifestyle) of your target group.

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Small groups of persons (a maximum of 12 or so) who are typical of members of your target market are useful for exploring in depth reactions to your ideas about new programs and promotions and for providing information about the image of your agency. This sort of group can be used for market research as a focus group. (Figure 7) The focus group technique involves assembling the group together in a pleasant but neutral environment. A moderator conducts a semi-structured discussion which focuses on a set of questions you have about your programming and promotional ideas and/or the image of your agency. All the members are encouraged to contribute their ideas or suggest new ones. Usually the discussion is taped so it can be examined in detail later. Frequently refreshments are served to make it a pleasant, relaxed occasion. Sometimes focus group members are paid for their participation as an incentive to attend. To avoid biasing the group's responses, the focus group should not be located in a facilty associated with your agency or moderated by someone from it.

Usually two or three focus groups are held to increase confidence in their ability to represent the views and interests of the population groups from which they are drawn. Focus groups are a relatively inexpensive way to test your new ideas in considerable depth. It's not a good idea to use them as the only source of information about your potential participant group if you suspect that group contains a lot of diversity along lines

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that could affect interest in your new programming ideas.

For your purposes as continuing educators, a modified sort of focus group could be formed for dialogue between potential resource persons and potential participants. This could refine program design by helping each group better understand the other.

Surveys of representative or stratified samples of your potential client group are also good ways of getting information, especially when the information sought is a reaction to a fairly well-defined idea. Sometimes surveys are used in conjunction with focus groups. The focus group may have identified some good ideas which are then tested in the larger group with a survey. Or the survey may have produced some puzzling information which can be explored for better understanding with a focus group.

The choice between representative and stratified sampling should be made on the basis of the nature of your target group. If it contains important subgroups who might be particularly interested in your new programs then sampling which deliberately includes a substantial number of persons in those groups will be appropriate. Otherwise, simple random sampling will give you the best picture of the attitudes of the target group as a whole.

There are a number of different types of surveying techni-

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ques. The most basic divisions are between face to face interviewing, phone surveys and mail surveys. These are listed in order of decreasing expensiveness.

Mail surveys (Figure 8) are cheap, but often of limited effectiveness in tapping the full range of public opinion. A twenty percent return rate on mail surveys is considered average. For this reason, often mail surveys are sent to a larger number of people than would need to be interviewed by phone, or face to face. The number responding can be boosted if peoples' interest is really engaged. For example, the alumni of the School of Social Work at one university returned survey questionnaires at an 85% rate, because the questionnaires asked about continuing education programs essential to future credentialling. Conversely, the number responding will be greatly lowered if questions are uninteresting, too nosey or threatening. (If you ask people how much they earn and what times of the day they are most likely to be at home, as one of my clients wanted to do, you are not likely to get too many replies.) The persons who are most likely to respond to your questionnaire may not be representative of the population as a whole, because they are more interested than the rest of the people in actually participating in your new programs. However, if there are a large enough number of these people, it may still be worthwhile to program for them.

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Phone surveys (Figure 9) are usually much more successful for obtaining the full range of public opinion. If they are well designed, it is not unusual to get an 80 to 90 % response rate, so smaller samples can be used to represent the population of interest. Interaction between the interviewer and interviewee also allows puzzling answers to be clarified which doesn't happen in mail surveys.

Face-to-face surveys (Figure 10) also have thess advantages. But generally they are prohibitively expensive. Occasionally, they may be essential to winning access to particular segments of the population of interest. For example, the boss may have to be interviewed in depth, before his employees can be surveyed.

An inexpensive way of conducting face-to-face surveys is to use an intercept technique. Ie., the study is conducted in a place where a large number of people from the population of interest are likely to be present--a shopping mall or a professional conference. Individuals are stopped and surveyed on the spot. The questionnaire must be short. This technique doesn't depend on random sampling. It will work if the population is all relatively homogeneous in its relationship to the issues being addressed.

Do you have any questions about the techniques I've just

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described?

I'd like to conclude with a brief description of real life continuing education situation which illustrates the use of market research to solve a marketing problem. (Figure 11) Then I'll turn the this session over to you to give you the opportunity to discuss your marketing problems.

A Women's Resource Center located in a major city and associated with a major university was seeking a way to expand. Its programming consisted of information services, peer counselling and special short courses oriented to serving adult developmental needs. The majority of its clientele were white, relatively well educated, middle class women aged 20 to 35 many of whom were new to the community, seeking work and/or seeking help with personal problems. In the city there were a lot of other providers of adult and continuing education competing for this market segment.

The administrator decided to seek a new target market for the agency's services. The agency's mission required a female target market and programming with an adult development focus. The administrator might have looked at the census tables for the city. She would have discovered that there were a very large number of women similar to her current clientele but differing in age--women aged 40 to 60. Market research on

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competing agencies showed her that none had programs which appealed specificly to this group.

But did the group have educational needs and interests that could be met within the capacity of the Women's Resource Center? The administrator reviewed what she knew about the abilities and specialties of her resource people. She interviewed those she wasn't certain of. She also talked with her immediate superiors at the university, seeking their ideas about programming for and promoting to this group.

Someone suggested she form a focus group. So she assembled a group of women over 40 and they discussed the needs and interests of this age group. There were a series of prearranged questions that kept the discussion focused on educational and developmental issues. The data obtained from this group was used to design and promote a short course which concentrated on the needs of women over 40. Each session of the short course focused on a different topic.

On the basis of class reaction to the individual topics, some of them became the subject matter of subsequent courses. The administrator's thinking in designing this program has also been influenced by literature about developmental problems of women in this age group.

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The agency is still developing its capacity to provide and promote these courses. It has a toe hold in an important new market. If it is successful, it will soon face challenges from its competitors.

Marketing problems evolve and change, but they don't go away. The need for market research and creative solutions is continuous.

Now its your turn.

Notes

1. Marketing for Non-Profit Organizations

2. "Comparative Analysis of Program Development Processes in Six Professions". Adult Education, 1976, 27 (1), 13-23.

3. Alternative Patterns for Strengthening Community Service Programs in Institutions of Higher Education

4. Basic Principles of Curriculum and Instruction

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Figure 1

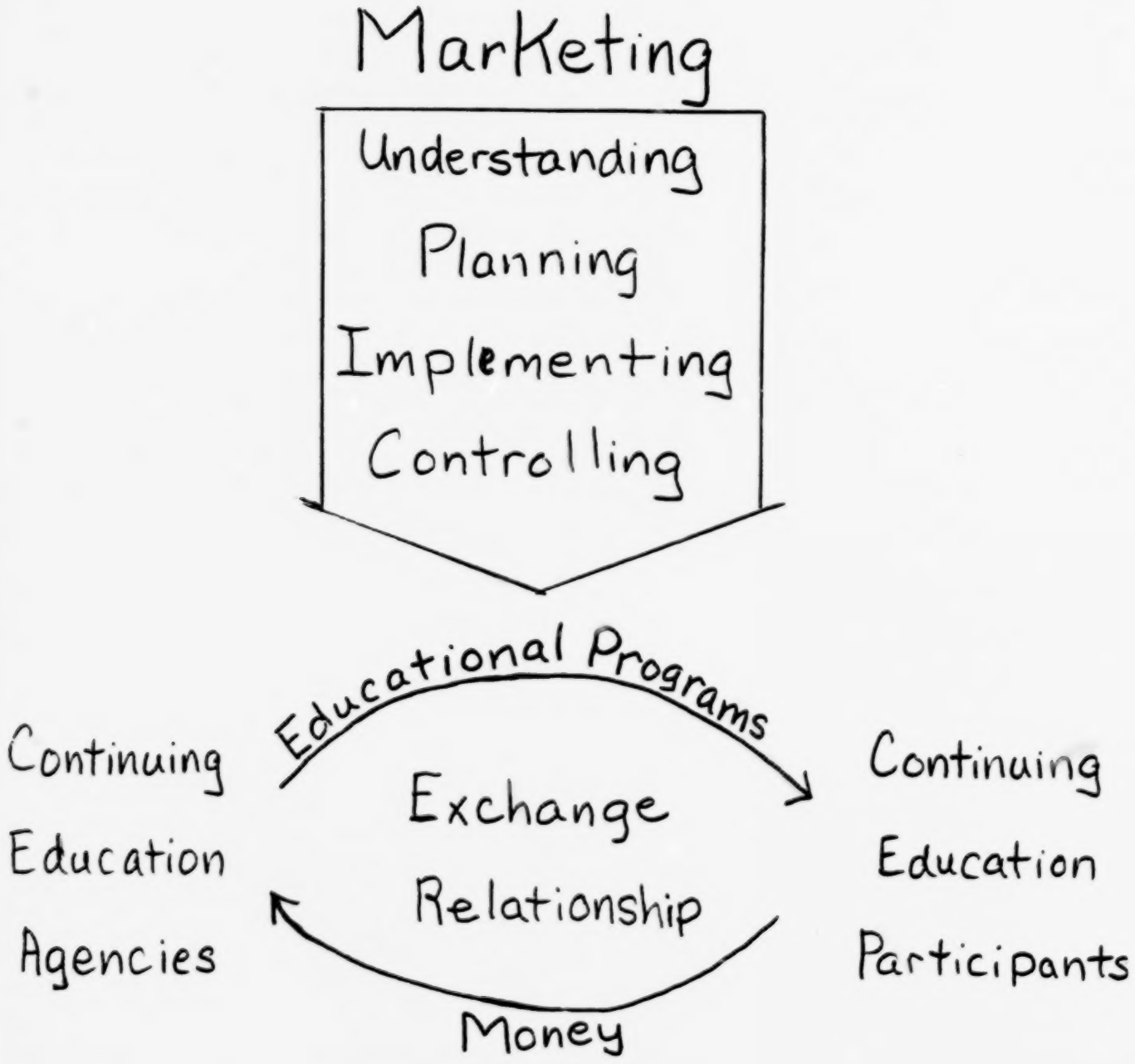

Marketing
Understanding
Planning
Implementing
Controlling
Educational Programs
Continuing Education Agencies
Exchange Relationship
Money
Continuing Education Participants

Figure 2

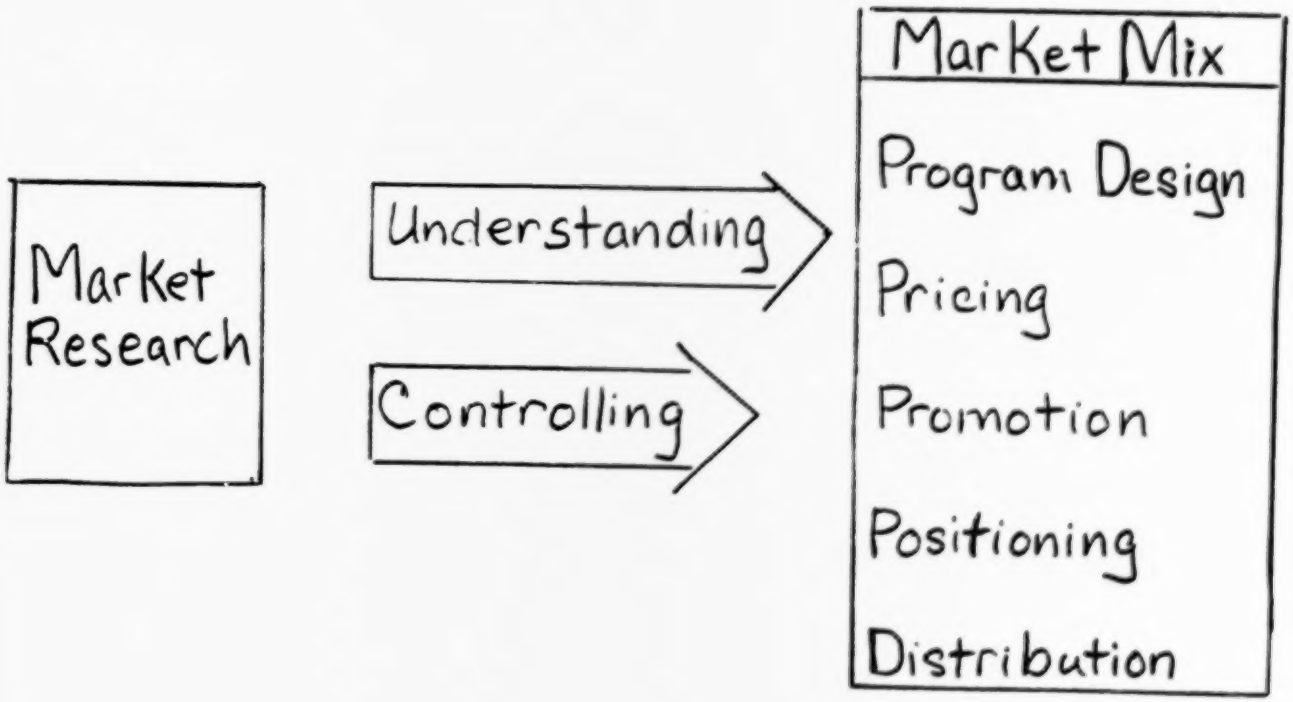

Market Research
Understanding
Controlling
Market Mix
Program Design
Pricing
Promotion
Positioning
Distribution

Figure 3

Administrative Marketing Tasks

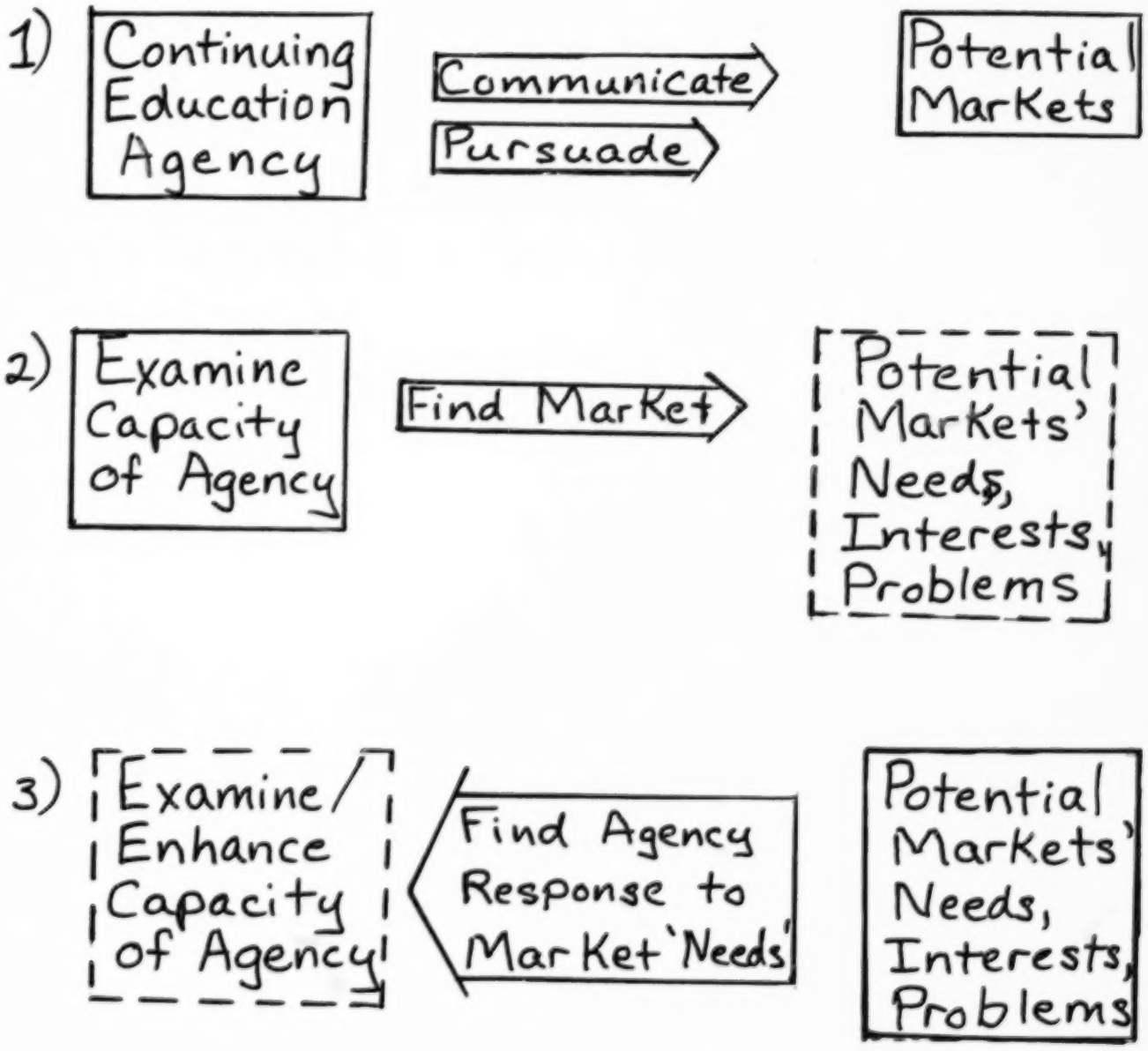


Figure 4

Information Source	Program Design	Promotion	Price	Positioning	Distribution
Parent Institution					
CE Employees					
Other CE Agencies					
Competitors					
Resource Persons					
Past Participants					
Pot. Participants					
General Public					
Government Agencies					

Figure 5

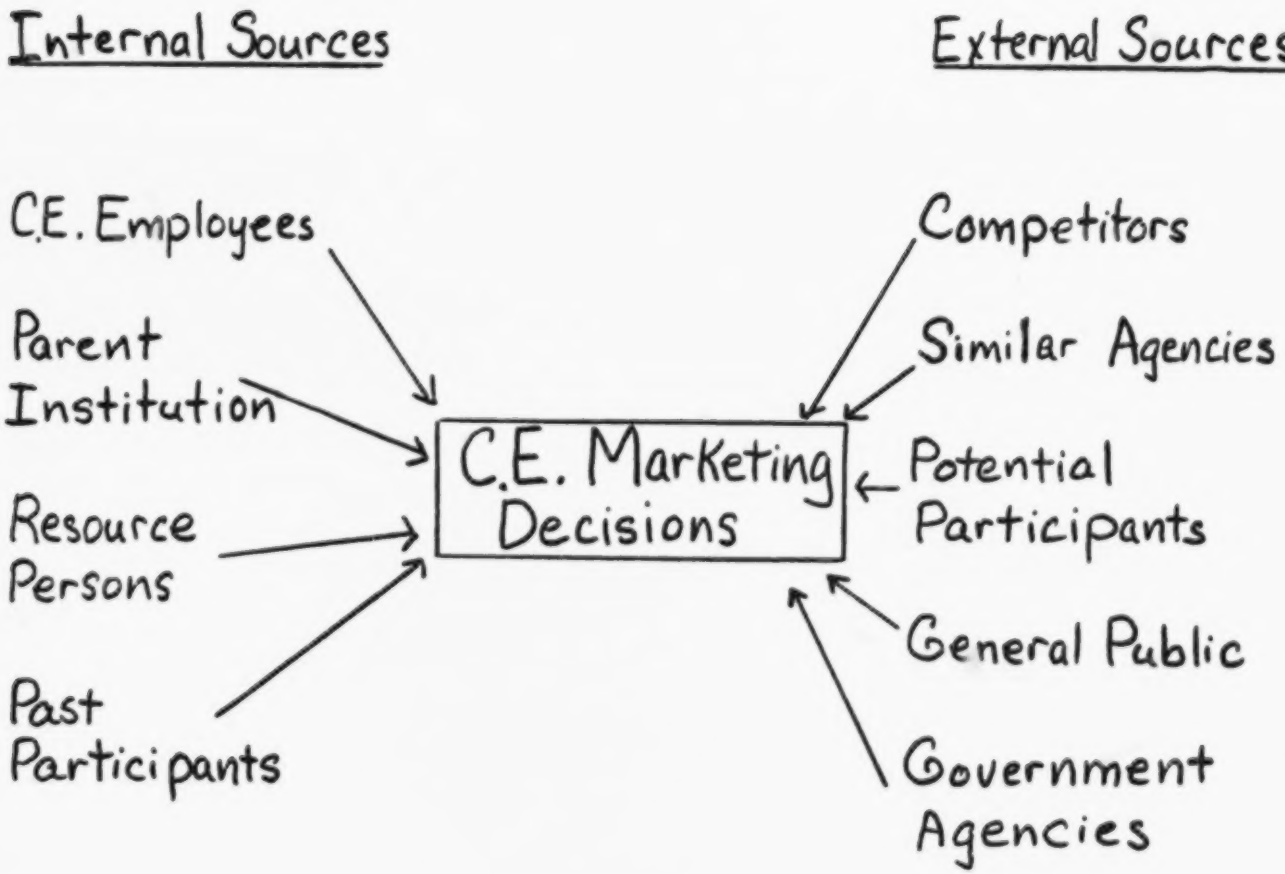

Internal Sources
External Sources
C.E. Employees
Parent Institution
Resource Persons
Past Participants
C.E. Marketing Decisions
Competitors
Similar Agencies
Potential Participants
General Public
Government Agencies

Figure 6

Information Needs

1) Current Market Segmentation

2) Agency's Image

3) Agency's Resources

4) Agency's Capacity to Change

5) Other Possible Ways to Segment the Market

   A. Parent Institution Mission

   B. Stick To Your Knitting

   C. Expert Advice and Trends

   D. Target Markets
      Demographics
      Geographics
      Psychographics

Figure 7

Focus Group

Advantages	Disadvantages
In-depth Probing	Representation of Population Diversity
Group Interaction	Group Interaction
Cheap	

Figure 8

Mail Survey

Advantages	Disadvantages	Remedies
Cheap	Low Response Rate (Biased Responses)	Attractive Questionnaire
Those Who Respond are Interested	Expensive Remedies	Interesting Questions
		Reminders

Figure 9

Phone Survey

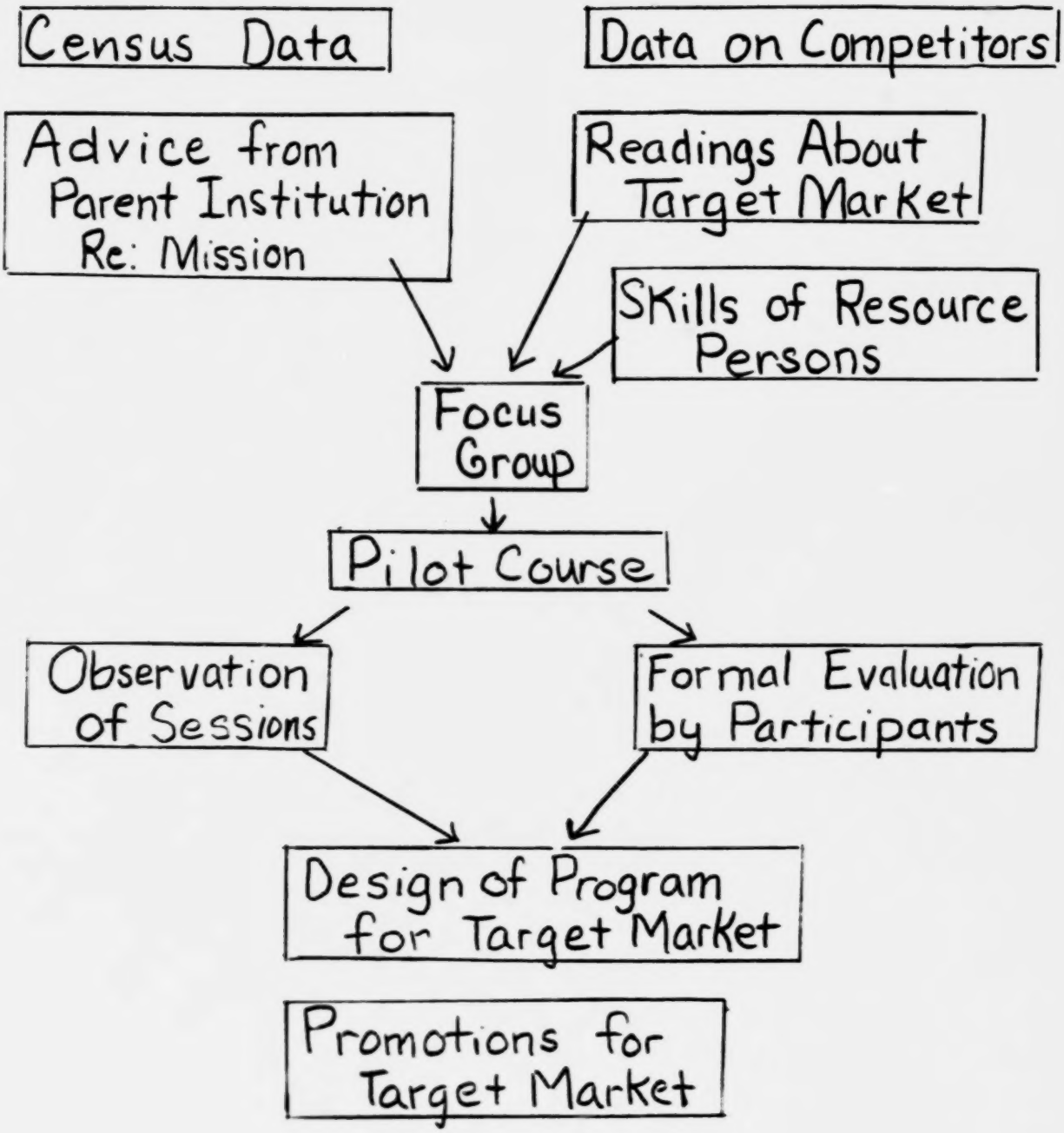
Advantages	Disadvantages
Some Probing	Trained Interviewers
More Representative Responses	May Be Expensive

Figure 10

Face-to-Face Survey

Advantages	Disadvantages	Remedy
Probing Questions	Expensive	Intercept Interviews
Access to Special Populations	Requires Trained Interviewers	

Figure 11


Census Data
Data on Competitors
Advice from Parent Institution Re: Mission
Readings About Target Market
Skills of Resource Persons
Focus Group
Pilot Course
Observation of Sessions
Formal Evaluation by Participants
Design of Program for Target Market
Promotions for Target Market